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MEMORANDUM FOR THE RECORD

DATE: 6 February 1961

SUBJECT: Contract No. 260-19660-0

On 1 February 1961, [redacted]

[redacted] President, of the [redacted] concerning their request for an increase in the Contract price to cover their additional cost for the telescoping towers furnished under Contract No. 260-19660-0.

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The Contractor stated that their subcontractor delivered a tower meeting the general requirements specified under the Contract; however, tests revealed that the tower would not operate under moderately strong wind conditions; therefore, [redacted] Corporation levied stringent requirements on their subcontractor which resulted in increased unit cost. The Contractor further stated that we had an urgent requirement for the units and in order to expedite matters, their cost proposal was prepared under pressure of time and without due consideration for contingencies.

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The Contractor contends that the towers furnished are far superior to those ordered and consequently they are requesting a \$1,300.00 increase in Contract price.

[redacted] the cognizant Project Officer is of the opinion that the towers delivered meet the general specifications and/or requirements prescribed initially; therefore, they are in essence what we contracted for, and nothing more.

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[redacted] explained the procurement laws governing fixed price contracts and stated that if the Contractor could show that the Government received consideration over and above that initially contracted for, due consideration be given to their claim.

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The Contractor is familiar with fixed price contracts and understands the laws governing them; however, they feel that the units furnished resulted in an increase in scope entitling them to additional funds.

The Contractor agreed to submit a comparison of the specifications initially prescribed and the specifications to which the towers were fabricated.

Upon receipt of the Contractor's specification comparison and cost analysis, this Branch will consider the Contractor's request and make a final determination.

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